

GILLESPIE FIELD DEVELOPMENT COUNCIL  
July 19, 2005

AGENDA ITEM # 6

Aircraft Storage Spaces (RPG Investments, INC)  
Proposed Lease Amendment to County Contract No. 75623R

This is to introduce a proposed new development on the RPG Investments, Inc. d.b.a. Aircraft Storage Spaces leasehold and a proposed amendment to their existing aviation lease at Gillespie Field.

PROPOSED DEVELOPMENT

Aircraft Storage Spaces has been owned and operated by RPG Investments, Inc. since 1975. They currently lease 10.07 acres with a lease expiration date of 12/31/2032. The leasehold improvements currently include 8 buildings totaling over 137,000 sq. ft. Aircraft Storage Spaces provides t-hangars for single and twin-engine aircraft, maintenance hangars for aircraft mechanics, large hangars for full service aircraft dealers, hangars for aircraft museums, up-scale privately owned hangars, and facilities for aircraft component manufacturing at Gillespie Field. Their major tenants include High Performance Aircraft, Grove Aircraft, Whirl Wind Propellers, Aero Paint and the San Diego Wing of the Commemorative Air Force. At any one time there are from 70 to 75 aircraft located on their premises.

Aircraft Storage Spaces is proposing to construct seven additional hangar buildings. Some of the new buildings will accommodate the growing needs of existing businesses and others will provide high-density aircraft storage. Four of the proposed buildings are to be located between existing buildings and the westerly building restriction line, in an area currently used for tie-downs. These building will add approximately 16,500 sq. ft. of additional hangar space. The other 3 proposed buildings replace 30-year-old t-hangar buildings with new high-density hangars. These buildings will be designed to match the style and color of other buildings on the leasehold that have been constructed in recent years.

The project is scheduled to begin this fall with the first building being completed in the beginning of the next year. Depending upon demand and the success of the high-density concept it is estimated that all 7 buildings could be completed within a 3-year period. It is anticipated that upon the completion of the project, approximately 12 to 20 additional aircraft will be accommodated.

The proposed high-density storage hangar will be made possible with the use of the "Aero-Lift" developed by ARM Aerospace of Tucson, AZ. A typical sized 50' x 60' mini-community hangar could accommodate 4 to 6 aircraft. Restroom facilities, offices, and storage areas can be provided on the second floor.

PROPOSED FIRST AMENDMENT TO AVIATION LEASE (County Contract No 75623R).

The proposed lease amendment will expand the Sale Hangars portion of the leasehold to include some existing and the proposed new buildings. It will incorporate the current language regarding the prohibited residential use, including the updated Gillespie Field Development Standards reviewed by the GFDC in February, March and April of 2004. These new standards include revisions recommended by the FAA.

Other terms in the existing Lease will remain the same.

RECOMMENDATION

Staff recommends that the Council adopt the following motion with respect to the proposed transactions.

MOTION – *“It is recommended that the Board of Supervisors approve First Amendment to Aviation Lease with RPG Investments, Inc. d.b.a. Aircraft Storage Spaces, as recommended by staff.”*